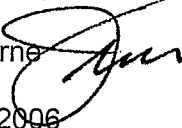




OFFICE OF
INSURANCE COMMISSIONER

MEMORANDUM

TO: Market Analysis Interested Parties

FROM: Jim Odiorne 

DATE: May 17, 2006

RE: Revised Z draft

Attached are our proposed revisions to the original Z draft, based on our consideration of your comments on Sections 13-18. Please note that your comments on Sections 13-18 prompted us to propose revision to Sections 5 and 9. We can consider further revisions to these sections in the future.

Also attached is a red-line of the original Z draft that tracks all revisions we have proposed. I hope this draft with all our proposed revisions can be a springboard to consider your discussions of specific changes at our meeting on May 26, 2006.